



## **REPORT ON 2010 UTAH LEGISLATURE**

**Department of Human Services**

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### **OVERVIEW:**

- Human Services' budget was reduced by a total of \$25,721,500 for FY 2011, with a combination of new cuts and cuts that were made last year but take effect July 1, 2010. The Legislature "backfilled" these reductions with \$11 million and therefore, the net cuts affecting FY11 are \$14,712,900 or 4.4%. The reductions will mean that Human Services loses another 200 FTEs, in addition to the 300 FTEs reduced from the previous cuts. The Department is also using a hiring freeze, operating expense controls and other operational restrictions to live within the one-time reductions of \$6.4 million made to the FY 2010 budget.
- There were several new bills passed that affect Human Services, including HB170 S2 on foster parent rights, HB 86 changing the way the Department investigates certain child abuse allegations, HB106S1 expediting background checks for disability service providers, HB235S1 changing the way child support is collected on children in foster care, and SB160 seeking admission of certain persons into the State Developmental Center.

### **AGING:**

- Programs for the elderly were not reduced any further in this session, and we anticipate being able to continue working with county aging providers to keep existing services at current levels.

### **MENTAL HEALTH:**

- Community mental health programs will undergo a \$1.7 million reduction on July 1, but fortunately there is federal stimulus money to help with that reduction until at least the end of the calendar year. The counties are working with the state to maintain services. The Utah State Hospital budget was reduced by \$500,000, which will be felt in staff and programs, but no beds will be closed.

### **SUBSTANCE ABUSE:**

- County-run substance abuse programs will have a reduction of \$550,000 on July 1, but will be able to continue existing service levels for the most part. Some county staff may be impacted. The Drug Offender Reform Act funding was continued for another year with one-time funding of \$1.9 million.

**CHILDREN:**

- Children's programs were already being cut by the federal Medicaid programs to the tune of \$27 million, but the Utah Legislature restored about \$22 million of that funding with a combination of ongoing and one-time funding. This will enable local youth providers to continue serving the 1,150 most critically ill children in state custody. The Legislature did impose some other cuts on youth programs, but funded the Receiving Centers for delinquent youth with \$3.3 million in ongoing money and funded adoption assistance and treatment for foster youth with \$5 million. These amounts will help but not fully cover the population growth in youth programs, but we will still be short on funding for administrative and program staff. It is anticipated that Child and Family Services will experience another significant reduction in positions. In addition, the Legislature has asked we consider caseload increases for Child and Family Services.

**DISABILITIES:**

- Last year the Legislature cut the Disabilities budget in a sizable amount, and this year there were no large additional cuts to community programs. However, the State Developmental Center in American Fork had its budget reduced by \$2 million, then backfilled with \$500,000. Clients there will see a reduction in the breadth and scope of services offered to them, and some staff may be reduced, but we do not anticipate closing any beds currently being used. The community programs for the disabled will continue to see impacts from the prior cuts, as client budgets are reviewed and adjusted to stay within funding. State Disabilities staff, which shrunk by nearly 150 people last year, will see further reductions again this year. Also the Legislature passed intent language to increase caseloads and begin re-negotiation of the federal Medicaid waivers. Other than emergencies, no new clients have been admitted into services for disabilities since September, 2008 and the waiting list continues to grow. The Legislature did fund one-time \$150,000 this session toward re-starting the supported employment program for people with disabilities who need help getting and keeping a job. They also gave the Department \$1.5 million to meet the additional need of people with disabilities already in services.

**PROVIDERS:**

- The Department relies on hundreds of small private providers across Utah who provide direct services to its clients. These providers had their rates reduced last session by \$5 million and will see another reduction on July 1 of \$3.7 million. Providers include county programs, youth providers, foster families, youth group homes, and many others. The providers who work with the disability community will not experience the second cut until July 2011, as their portion was backfilled this year.

**DEPARTMENT STAFF:**

- The Department staff took substantial cuts for the second year in a row, with a net reduction of \$2.4 million. Administrative staff was cut in some areas by 10%, and we continue to work on streamlining and efficiency where possible. However, most of those gains were achieved back in 2008 when the budget cuts first started, and therefore, the current reductions will mean less oversight of providers and decreased financial accountability.